

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 1193
Appropriations Committee Substitute Adopted 6/4/98
House Committee Substitute Favorable 6/11/98

Short Title: Year 2000 Emergency Appropriation.

(Public)

Sponsors:

Referred to:

May 20, 1998

1 A BILL TO BE ENTITLED
2 AN ACT TO MAKE AN EMERGENCY APPROPRIATION, ON THE REQUEST OF
3 THE GOVERNOR, TO COVER THE COSTS OF THE YEAR 2000 CONVERSION
4 IN ALL STATE DEPARTMENTS AND AGENCIES.

Whereas, many existing computer systems will not operate properly at the turn of the century; and

Whereas, this problem, which is known as the "Year 2000 Problem" is estimated to cost between three hundred and six hundred billion dollars on a national basis; and

Whereas, the cost for the federal government alone is estimated at four billion dollars; and

Whereas, in State government agencies, 755 out of 1347 existing applications will not operate properly with a year 2000 date; and

Whereas, major State computer systems such as the tax entry system, the Food Stamp Program system, the Work First and Medicaid systems, the salary administration system at a major State agency, and the student admissions system at a State university, will not operate properly with a year 2000 date; and

Whereas, State assets other than computers including elevators, security systems, traffic lights, and HVAC systems, will not operate properly at the turn of the century; and

Whereas, because of the scope of the problem in both the public and the private sector, there is a shortage of programmers able to solve the State Year 2000 problem; and
Whereas, the Executive Budget Act authorizes the General Assembly to make an emergency appropriation to the Program for the 1997-98 fiscal year upon the request of the Governor; and

Whereas, the Governor has made such a request in a letter to the President Pro Tempore of the Senate and the Speaker of the House of Representatives; and

Whereas, an emergency appropriation would allow for uninterrupted year 2000 conversion for State agencies; and

Whereas, an emergency appropriation would avoid price increases that may occur should vendor availability diminish due to delays in contracting; and

Whereas, an emergency appropriation would allow State agencies to meet the conversion deadlines in order to begin testing in the 1999 calendar year; and

Whereas, an emergency appropriation would provide for continued conversion activity by all vendors currently under contract and would enable State agencies to avoid time delays associated with new vendors; Now, therefore,

1 The General Assembly of North Carolina enacts:

2 Section 1. There is appropriated from the General Fund to the Department of
3 Commerce, Year 2000 Reserve Fund, the sum of twenty million five hundred six
4 thousand three hundred sixty-seven dollars (\$20,506,367) for the 1997-98 fiscal year to
5 cover the costs of the year 2000 conversion in General Fund agencies during the 1997-99
6 fiscal biennium.

7 Section 2. From funds appropriated to the Department of Transportation for
8 the 1997-98 fiscal year, the sum of six million eight hundred forty thousand six hundred
9 thirty dollars (\$6,840,630) shall be transferred to the Department of Commerce, Year
10 2000 Reserve Fund, to cover the costs of the year 2000 conversion in Highway Fund
11 agencies during the 1997-99 fiscal biennium. If funds are not available for this purpose,
12 the Director of the Budget shall advance funds from the General Fund to cover any
13 required expenditures until highway funds are available.

14 Section 3. The State Information Processing System may transfer up to
15 fourteen million dollars (\$14,000,000) for the 1997-98 fiscal year from its receipts for
16 testing and data processing service charges to the Department of Commerce, Year 2000
17 Reserve Fund, to cover the costs of the year 2000 conversion.

18 Section 4. Beginning October 1, 1998, and quarterly thereafter, the Department
19 of Commerce shall report to the Joint Legislative Commission on Governmental
20 Operations and to the House and Senate Appropriations Subcommittees on Natural and
21 Economic Resources on the status of the Year 2000 conversion, expenditure of funds
22 from the Year 2000 Reserve Fund, and time lines and cost projections for full
23 implementation of the Year 2000 conversion. The Director of the Budget shall report to
24 the Joint Legislative Commission on Governmental Operations advancements made from
25 the General Fund to cover expenditures required for year 2000 conversion in Highway
26 Fund agencies.

27 Section 5. This act is effective when it becomes law.